

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0208-01
Bill No.: HB 155
Subject: Health Care Professionals; Licenses - Professional; Minorities
Type: Original
Date: February 17, 2015

Bill Summary: This proposal requires all health care professionals in this state to complete cultural competency training in school and as continuing education for licensure, certification, or registration.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(\$615,507)	(\$196,246)	(\$198,735)
Total Estimated Net Effect on General Revenue	(\$615,507)	(\$196,246)	(\$198,735)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
University Funds	(Unknown greater than \$833,333)	(Unknown greater than \$1,000,000)	(Unknown greater than \$1,000,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown greater than \$833,333)	(Unknown greater than \$1,000,000)	(Unknown greater than \$1,000,000)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 9 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	3	3	3
Total Estimated Net Effect on FTE	3	3	3

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services (DHSS)** state the Department of Insurance, Financial Institutions and Professional Registration (DIFP) provide licenses to most health care professionals in the State of Missouri through their Division of Professional Registration (PR). There are approximately 250,000 licensed individuals within PR, including the fields of acupuncture, chiropractors, dental, dietitians, healing arts (physicians, physician assistants, etc.), marital and family therapy, massage therapy, nursing, occupational therapy, optometry, pharmacy, podiatry, professional counselors, psychology, respiratory care, and social workers. There are approximately 1,450 nursing home administrators (NHA) and 21,000 Emergency Medical Technicians (EMTs, all levels), licensed by the DHSS.

The Office of Minority Health (OMH) within DHSS would need to ensure that every health care professional licensed in the State of Missouri receives cultural competency training as this legislation mandates. This would require approximately three (3) FTE's to ensure that every Missouri licensed health care professional receives cultural competency training: Two (2) Health Program Representatives (HPR III) (\$38,544 each annually) would be required to review the training content and work with new providers of cultural competency training to approve and maintain the list and one (1) Administrative Office Support Assistant (AOSA) (\$27,828 annually) would be necessary to act in a supporting role for the HPR III's.

Specific HPR III duties include:

- initial approval of curriculum for cultural competency training;
- oversight of organizations that provide cultural competency training;
- develop and maintain a list of all approved cultural competency trainers with updated contact information;
- maintaining the cultural competency training website links and relevant information;
- providing technical assistance as needed to ensure compliance with the cultural competency training mandate; and,
- collaborate with DIFP to ensure continued program compliance.

AOSA duties include:

- provide clerical assistance to HPR III's;
- provide assistance on inquiries for OMH related to cultural competency matters;
- assist in creation of tracking process for the cultural competency training;
- create forms as necessary;
- create and maintain an email distribution list serve for cultural competency training provider organizations;
- schedule staff travel, meetings, schedules and support fiscal activities;
- track all service contract invoices, E&E invoices, payments, reconciliations; and,
- coordinate conference calls for all cultural competency related meetings

ASSUMPTION (continued)

DHSS would contract out the development of training with new providers of cultural competency training to ensure that opportunities are available for all licensed professionals in the state.

DHSS assumes that the primary cost of these training would be paid by the health care providers similar to how continuing education costs typically are paid, but there would be a cost associated with contracting for the initial development of the training. Development of this training would be similar to a recent contract in a DHSS Office of Women's Health contract for provider training on sexual assault prevention.

The new OMH contract would include the following deliverables:

- module design;
- competency-based content development;
- web-based user training materials and resources based on existing materials provided by DHSS and other new resources; and,
- training and technical support for the implementation of the training module

DHSS estimates the cost of this contract to be \$400,000.

The Bureau of Emergency Medical Services (EMS) anticipates no impact other than promulgation of regulations related to implementing a cultural competency training requirement for emergency medical technicians. EMS issues licenses to personnel living in and completing their training in other states. EMS would develop procedures to assure compliance by out-of-state applicants.

The Board of Nursing Home Administrators (BNHA) would require services from the Information Technology Services Division (ITSD) to modify an existing application to support the requirements of the Health Care Professionals Cultural Competency Act. The modification to the application will include the addition of an education module to document and manage education and continuing education requirements for health care professionals applying for or renewing a license, certification or registration to practice in the state. Additionally, a requirement of the system will be to generate reports for submission to the general assembly regarding the information submitted to the department in support of the Health Care Professionals Cultural Competency Act.

On-going support for the BNHA application is currently being provided by DHSS with assistance from ITSD when requested. It has been assumed that this project would have a duration of 3 months. ITSD estimates this proposal will require 563.76 contract hours at \$75/hour for a total cost of \$42,282.

The DHSS assumes this proposal will have a total fiscal impact on the General Revenue Fund, including IT costs and training development contract, of \$615,507 for FY 2016; \$196,246 for FY 2017; and \$198,735 for FY 2018.

ASSUMPTION (continued)

Oversight notes the DHSS estimate of IT cost to implement this proposal was based on the current state contract rate for IT consulting services (\$75 per hour). DHSS officials told us OA-ITSD informed them employees would not be available in FY 2016 for IT projects to implement new legislation and contractors would be required.

Officials from the **University of Missouri (UM), Office of Academic Affairs, Research and Economic Development** state that the proposal will have a significant fiscal impact on the UM System. A large part of the cost for each of the schools within the system is the staffing it would take to administer the program, maintain records, create or enhance the Continuing Education component, and the teaching of the continuing education classes. Estimated costs are in excess of \$1 million annually.

There are already requirements dictated by accrediting bodies that include cultural competence. The additional cost can be attributed to the tracking and continuing education classes required by the proposal. The continuing education classes offered by UM do not make money given the free and other low-cost options that UM competes against.

Officials from **Missouri State University (MSU)** state, if enacted, the bill would have a negative fiscal impact on MSU, the amount and extent of which cannot be determined at the present time.

Officials from **Missouri Southern State University** provide that the fiscal impact of this proposal is indeterminate at the present time.

Oversight assumes this proposal will have an unknown fiscal impact on Colleges and Universities, including any community colleges. It is not known whether fees charged for cultural competency courses will be sufficient to cover the costs associated with those courses. As a result, Oversight will range the impact from a positive unknown to a negative unknown.

Officials from the **University of Central Missouri (UCM)** does not anticipate a fiscal impact as a result of this proposal because UCM already addresses cultural training across its curriculum.

Officials from the **Department of Higher Education, the Department of Insurance, Financial Institutions and Professional Registration, the Joint Committee on Administrative Rules, Missouri Western State University and State Technical College of Missouri** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain

ASSUMPTION (continued)

amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE FUND (\$192.345)			
<u>Costs - DHSS</u>			
Personal service	(\$87,430)	(\$105,965)	(\$107,025)
Fringe benefits	(\$45,468)	(\$55,107)	(\$55,658)
Equipment and expense	(\$40,327)	(\$35,174)	(\$36,052)
IT contract costs	(\$42,282)	\$0	\$0
Training development contract	(\$400,000)	\$0	\$0
Total <u>Costs - DHSS</u>	<u>(\$615,507)</u>	<u>(\$196,246)</u>	<u>(\$198,735)</u>
FTE Change - DHSS	3 FTE	3 FTE	3 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$615,507)</u>	<u>(\$196,246)</u>	<u>(\$198,735)</u>
Estimated Net FTE Change on the General Revenue Fund	3 FTE	3 FTE	3 FTE

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
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UNIVERSITY FUNDS

Costs - UM

Staffing, administration, maintenance, creation/enhancement of continuing education program	<u>(Unknown greater than \$833,333)</u>	<u>(Unknown greater than \$1,000,000)</u>	<u>(Unknown greater than \$1,000,000)</u>
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**ESTIMATED NET EFFECT ON
UNIVERSITY FUNDS**

<u><u>(Unknown greater than \$833,333)</u></u>	<u><u>(Unknown greater than \$1,000,000)</u></u>	<u><u>(Unknown greater than \$1,000,000)</u></u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
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**LOCAL GOVERNMENTS -
COLLEGES AND UNIVERSITIES**

Income - Colleges and Universities

Course fees	Unknown	Unknown	Unknown
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Costs - Colleges and Universities

Curriculum costs	(Unknown)	(Unknown)	(Unknown)
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**ESTIMATED NET EFFECT ON
LOCAL GOVERNMENTS -
COLLEGES AND UNIVERSITIES**

<u><u>Unknown to (Unknown)</u></u>	<u><u>Unknown to (Unknown)</u></u>	<u><u>Unknown to (Unknown)</u></u>
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FISCAL IMPACT - Small Business

This proposal will have a significant fiscal and administrative impact on small business health care providers. All providers will be required to obtain cultural competency training prior to relicensure, recertification, or registration. In addition, all health care providers must receive continuing education in this area at least once every three years, above any other required continuing education.

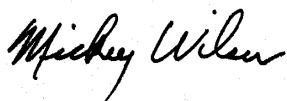
FISCAL DESCRIPTION

This proposal establishes the Health Care Professionals Cultural Competency Act that requires every licensing board in this state to require completion of cultural competency training as specified in the proposal for any person authorized to practice the profession regulated by the licensing board. The Department of Health and Senior Services, in collaboration with the Department of Higher Education, must require any school of medicine, school of nursing, or any other institution of higher education or postsecondary educational program that provides training of health care professionals for licensure in this state to complete specified instruction in cultural competency designed to address the problem of race and gender-based disparities in medical treatment decisions as a condition of receiving a diploma. In addition to any other continuing education requirements, each health care licensing board, in collaboration with the Department of Health and Senior Services, must require a person authorized to practice the profession regulated by the board to receive a minimum of one hour of department-approved cultural competency continuing education during the first renewal period in which continuing education is required and not less than once every three years thereafter. A licensing board must report biennially to the department on the participation, and the department must report the information to the General Assembly by August 1 of each even numbered year.

This legislation is not federally mandated and would not duplicate any other program, but may require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Higher Education
Department of Health and Senior Services
Department of Insurance, Financial Institutions and Professional Registration
Joint Committee on Administrative Rules
Office of Secretary of State
Missouri Southern State University
Missouri State University
Missouri Western State University
State Technical College of Missouri
University of Central Missouri
University of Missouri



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